

QUALITY MANAGEMENT

General Terms and Conditions of Sale (GTCS)



Version 03/2022

I. Validity/Offers

1. These General Terms and Conditions of Sale shall apply to all - including future - contracts with entrepreneurs, legal entities under public law and special funds under public law for deliveries and other services. The Buyer's terms and conditions of purchase shall not be recognized even if we do not expressly object to them again after receipt. Even in the event that we conclude contracts on electronic platforms and the conclusion of the contract is technically only possible if we declare our agreement with the buyer's terms and conditions, this shall expressly not constitute consent to the validity of these terms and conditions.
2. Our offers are subject to change and non-binding. Agreements, in particular verbal collateral agreements, promises, assurances, guarantees and other statements made by our employees regarding the intended use or application or other properties of our products - before or upon conclusion of the contract - shall only become binding upon our confirmation in text form.
3. The INCOTERMS® in their latest version shall be decisive for the interpretation of trade terms such as "EXW", "FOB" and "CIF", etc.

II. Prices

1. Unless otherwise agreed, our prices are ex works excluding packaging, plus statutory VAT.
2. If the goods are delivered packaged, we shall charge for the packaging; within the framework of the statutory regulations, we shall take back packaging supplied by us if it is returned to us carriage paid by the Buyer within a reasonable period of time. We shall not bear the costs of the Buyer for the return transportation or for his own disposal of the packaging.

III. Payment and settlement

1. Payment must be made - without discount deduction - in such a way that we can dispose of the amount on the due date. The buyer shall bear the costs of payment transactions. Unless otherwise agreed, our invoices are due 7 days after the invoice date. Payment must be made in such a way that the amount required to settle the invoice is available to us by the due date at the latest. The buyer shall be in default at the latest 10 days after the due date of our claim without the need for a reminder.
2. Discount periods granted shall commence from the invoice date. An agreed discount shall always relate only to the invoice value excluding freight and presupposes the complete settlement of all due liabilities of the buyer at the time of the discount.
3. Invoices for amounts under EUR 50.00 as well as for assembly, repairs, molds and tool cost shares are due immediately and payable net.
4. Counterclaims disputed by us or not legally established shall not entitle the Buyer to withhold or offset payment. This shall not apply insofar as the Buyer's counterclaims result from the same contractual relationship and/or they would entitle the Buyer to refuse performance in accordance with § 320 BGB.
5. If the term of payment is exceeded, at the latest from the time of default, we shall be entitled to charge interest at the respective bank rates for overdraft facilities, but at least the statutory default interest. In addition, we shall charge a lump-sum default fee of EUR 40.00. We reserve the right to assert further claims for damages caused by default.
6. If it becomes apparent after conclusion of the contract that our claim for payment is jeopardized by the buyer's inability to pay or if the buyer defaults on payment of a substantial amount or if other circumstances arise which indicate a significant deterioration in the buyer's ability to pay, we may refuse agreed advance performance and exercise the rights under § 321 BGB. This shall also apply if our obligation to perform is not yet due. In such cases, we may also declare all claims from the current business relationship with the Buyer due and payable. A lack of solvency on the part of the buyer shall also be deemed to exist if the buyer is at least three weeks in arrears with a considerable amount (from 10% of receivables due), as well as a considerable downgrading of the limit existing for the buyer with our commercial credit insurance.

IV. Delivery times

1. Delivery deadlines and dates shall be deemed to have been met if the delivery item has left our premises by the time they expire. They shall be deemed to have been met upon notification of readiness for dispatch if the goods cannot be dispatched on time through no fault of our own.
2. Our delivery obligation is subject to correct, timely and contractually compliant self-delivery and, in the case of import transactions, additionally subject to the receipt of monitoring documents and import licenses, unless we are responsible for the incorrect or delayed self-delivery.
3. Events of force majeure shall entitle us to postpone deliveries for the duration of the hindrance and a reasonable start-up period. This shall also apply if such events occur during an existing delay. Force majeure shall include currency, trade policy and other sovereign measures, strikes, lockouts, operational disruptions for which we are not responsible, pandemics and their effects, armed conflicts and their effects, obstruction of transport routes, delays in import/customs clearance and all other circumstances which, through no fault of our own, make deliveries and services significantly more difficult or impossible. It is irrelevant whether the circumstances occur at our premises, the supplying plant or another upstream supplier. If, as a result of the aforementioned events, performance becomes unreasonable for one of the contracting parties, it may withdraw from the contract by immediate declaration in text form.

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V. Retention of title

1. All delivered goods shall remain our property (reserved goods) until all claims arising from the business relationship, regardless of the legal basis, including future or conditional claims (balance reservation), have been settled. However, the reservation of balance shall not apply to advance payment or cash transactions which are settled step by step. In this case, the delivered goods shall remain our property until the purchase price for these goods has been paid in full.
2. Handling and processing of the goods subject to retention of title shall be carried out for us as manufacturer within the meaning of § 950 BGB, without any obligation on our part. The processed goods shall be deemed to be reserved goods within the meaning of Clause V/1. In the event of processing, combining and mixing of the reserved goods with other goods by the Buyer, we shall be entitled to co-ownership of the new item in the ratio of the invoice value of the reserved goods to the invoice value of the other goods used. If our ownership expires as a result of combining or mixing, the Buyer hereby assigns to us the ownership rights to which it is entitled to the new stock or item to the extent of the invoice value of the goods subject to retention of title and shall store them for us free of charge. The resulting co-ownership rights shall be deemed to be reserved goods within the meaning of Clause V/1.
3. The Buyer may only sell the goods subject to retention of title in the ordinary course of business at his normal terms and conditions and as long as he is not in default, provided that the claims from the resale are transferred to us in accordance with clauses V/4 to V/6. He shall not be entitled to dispose of the reserved goods in any other way.
4. The claims arising from the resale of the goods subject to retention of title are hereby assigned to us together with all securities which the Buyer acquires for the claim. We hereby accept the assignment. The claims shall serve as security to the same extent as the reserved goods. If the reserved goods are sold by the buyer together with other goods not sold by us, the claim arising from the resale shall be assigned to us in the ratio of the invoice value of the reserved goods to the invoice value of the other goods sold. In the case of the sale of goods in which we have co-ownership shares in accordance with Clause V/2, the assignment of the claim shall apply in the amount of these co-ownership shares.
5. The buyer is entitled to collect claims from the resale. This collection authorization shall expire in the event of our revocation, which is permissible at any time, but at the latest in the event of default in payment, non-payment of a bill of exchange or an application to open insolvency proceedings. We shall only make use of our right of revocation if it becomes apparent after conclusion of the contract that our claim to payment from this or other contracts with the buyer is jeopardized by the buyer's inability to pay. We shall then also be entitled to demand the return of the goods after the expiry of a reasonable grace period and to prohibit the resale and further processing of delivered goods. Taking back the goods does not constitute withdrawal from the contract. At our request, the buyer is obliged to inform his customers immediately of the assignment to us and to provide us with the documents required for collection.
6. The buyer must inform us immediately of any seizure or other impairment by third parties.
7. If the invoice value of the existing securities exceeds the secured claims including ancillary claims (interest, costs, etc.) by more than 50% in total, we are obliged to release securities of our choice at the buyer's request.

VI. Execution of deliveries

1. The risk in all transactions, including carriage paid and free domicile deliveries (in accordance with "DDP (Incoterms 2020)"), shall pass to the buyer when the goods are handed over to a forwarding agent or carrier, but at the latest when they leave the warehouse or - in the case of drop shipments - the supplying plant. The obligation and costs of unloading shall be borne by the buyer. We shall only provide insurance at the instruction and expense of the Buyer.
2. We are entitled to make partial deliveries to a reasonable extent. Excess and short deliveries of up to 10% are permissible.
3. In the case of call-off orders, we are entitled to manufacture the entire order quantity or have it manufactured. Any change requests can no longer be taken into account after the order has been placed, unless this has been expressly agreed. Call-off dates and quantities can only be adhered to within the scope of our delivery or production possibilities, unless fixed agreements have been made. If the goods are not called off in accordance with the contract, we shall be entitled to invoice them as delivered after a reasonable grace period has expired.
4. In the case of contracts with consecutive deliveries, call-offs and classifications for approximately equal monthly quantities must be submitted to us. If call-offs or classifications are not made on time, we shall be entitled, after setting a grace period to no avail, to classify and deliver the goods ourselves or to withdraw from the part of the contract still in arrears and to demand compensation instead of performance. At the end of the contract, our stock must be accepted.

VII. Liability for defects

1. The properties of the goods, in particular their quality, grade and dimensions, shall be determined primarily by the agreed quality, in particular the contractually agreed standards and technical regulations. References to standards and regulations similar to standards as well as information on qualities, grades, dimensions, weights and usability of the goods, information in drawings and illustrations as well as statements in advertising material are not warranties or guarantees unless they are expressly designated as such in text form. The same applies to declarations of conformity and corresponding (identification) marks such as "CE" and "GS". In the event of a quality agreement, the Buyer shall bear the risks of suitability and use.
2. If the quality has not been agreed, the goods shall be free from material defects if they are suitable for the use assumed under the contract. Contractually, a use is only assumed if we were informed of this use in text form by the buyer at the latest when the purchase contract was concluded and we have expressly agreed to this use in text form.

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3. To the extent that the goods have the agreed quality in accordance with Section VII.1 or are suitable for the use assumed under the contract in accordance with Section VII.2, the Buyer may not invoke the fact that the goods are not suitable for normal use or do not have a quality that is customary for goods of this type and that the Buyer expected. In this respect, our liability is excluded with the exception of the cases mentioned in Section VIII.2.

4. The provisions of the German Commercial Code (HGB) shall apply to the inspection of the goods and the notification of defects with the following proviso:

- The buyer has the obligation to inspect the properties of the goods relevant for the respective use immediately after delivery and to notify us immediately in text form of any defects in the goods. In the case of an intended installation or attachment of the goods, the properties relevant for the installation or attachment shall also include the internal properties of the goods. The obligation to inspect also applies if a test certificate or other material certificate was supplied with the goods. Defects that cannot be discovered immediately after delivery, even with the most careful inspection, must be reported in text form immediately after discovery.

- If, in the event of installation or attachment of the goods, the Buyer fails to examine the properties of the goods relevant for the intended use at least on a random basis before installation or attachment (e.g. by means of functional tests or a trial installation), this shall constitute a particularly serious disregard of the care required in trade (gross negligence) in relation to us. In this case, the buyer shall only be entitled to claim for defects with regard to these properties if the defect in question has been fraudulently concealed or a guarantee for the quality of the item has been given.

5. If the buyer discovers defects during or after inspection of the goods, he is obliged to make the rejected goods or samples thereof available to us for the purpose of examining the complaint and to allow us to inspect the rejected goods within a reasonable period of time. Otherwise, the Buyer may not invoke defects in the goods.

6. If the goods are defective, the buyer shall be entitled to the defect rights in accordance with the statutory provisions of the BGB - with the restrictions that we shall be entitled to choose between rectification and subsequent performance and that minor (insignificant) defects shall only entitle the buyer to reduce the purchase price (reduction).

7. If the buyer has installed the defective goods in another item or attached them to another item in accordance with their type and intended use, he may only demand compensation for the necessary expenses for the removal of the defective goods and the installation or attachment of the repaired or delivered defect-free goods ("removal and installation costs") in accordance with the following provisions.

- Only those removal and installation costs are required which directly relate to the removal or disassembly of the defective goods and the installation or attachment of identical goods, which have been incurred on the basis of standard market conditions and which are proven to us by the buyer by submitting suitable receipts at least in text form.

- Any additional costs incurred by the buyer for consequential damage caused by defects, such as loss of profit, operating downtime costs or additional costs for replacement purchases, are not direct removal and installation costs and are therefore not eligible for compensation as reimbursement of expenses in accordance with Section 439 (3) BGB. The same applies to sorting costs and additional expenses arising from the fact that the sold and delivered goods are located at a place other than the agreed place of performance.

- The buyer is not entitled to demand advance payment for dismantling and installation costs and other costs of subsequent performance.

8. Insofar as the expenses claimed by the Buyer for subsequent performance are disproportionate in individual cases, in particular in relation to the purchase price of the goods in defect-free condition and taking into account the significance of the lack of conformity, we shall be entitled to refuse to reimburse these expenses. Disproportionality shall be deemed to exist in particular if the expenses claimed, in particular for removal and installation costs, exceed 150% of the invoiced value of the goods or 200% of the reduced value of the goods due to the defect. If the last contract in the supply chain is a purchase of consumer goods, the reimbursement of expenses shall be limited to the reasonable amount.

9. Further claims are excluded in accordance with Section VIII. This applies in particular to claims for compensation for

- Damage that has not occurred to the goods themselves (consequential damage),

- costs for the self-remedy of a defect without the legal requirements being met and

- Removal and installation costs if the goods delivered by us were no longer available in their original condition at the time of installation or attachment or if a new product was manufactured from the delivered goods prior to installation.

10. An unjustified request to remedy a defect entitles us to compensation if the buyer could have recognized that there was no material defect upon careful inspection.

VIII. General limitation of liability and statute of limitations

1. We shall only be liable for breach of contractual and non-contractual obligations, in particular for impossibility, delay, faulty advice, culpa in contrahendo and tort - including for our executives and other vicarious agents - in cases of intent and gross negligence, in the latter case limited to the damage foreseeable at the time of conclusion of the contract and typical for the

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contract.

2. The restrictions in VIII.1 shall not apply in the event of culpable breach of material contractual obligations. Essential contractual obligations are the obligation to deliver on time and the freedom of the goods from defects which impair their functionality or usability more than only insignificantly and also obligations to provide advice, protection and care which are intended to protect the buyer or his personnel from considerable damage. Furthermore, the limitations shall not apply in cases of mandatory liability under the Product Liability Act, in the event of injury to life, limb or health and also not if and insofar as we have fraudulently concealed defects in the item or guaranteed their absence. The rules on the burden of proof remain unaffected by this.

3. If we are in default with a delivery or other service, the buyer may demand compensation for the damage caused by the delay in addition to the service; in the case of slight negligence, however, limited to a maximum of 10% of the agreed price for the delayed service. The Buyer's right to claim damages instead of performance in accordance with No. VIII.1 and VIII.2 shall remain unaffected.

4. Unless otherwise agreed, contractual claims which the Buyer has against us on the occasion of or in connection with the delivery of the goods, in particular claims for damages due to material defects, shall become statute-barred one year after delivery of the goods. In the event of supplementary performance, the limitation period shall not begin to run anew, but shall be suspended until three months after the supplementary performance has been carried out. This shall not affect our liability and the limitation period for claims in connection with the delivery of goods that have been used for a building in accordance with their normal use and have caused its defectiveness, from intentional and grossly negligent breaches of duty, culpably caused damage to life, limb or health, cases of mandatory liability under the Product Liability Act and the limitation period for statutory recourse claims. In these cases, the statutory limitation periods shall apply.

IX. Copyrights

1. We reserve the right of ownership and copyright to cost estimates, drafts, drawings and other documents; they may only be made accessible to third parties with our consent. Drawings and other documents belonging to offers must be returned on request.

2. If we have delivered items according to drawings, models, samples or other documents provided by the buyer, the buyer shall guarantee that the industrial property rights of third parties are not infringed. If third parties prohibit us from manufacturing and supplying such items with reference to industrial property rights, we shall be entitled - without being obliged to examine the legal situation - to cease any further activity in this respect and to claim damages if the buyer is at fault. The purchaser also undertakes to indemnify us immediately against all claims of third parties in connection therewith.

X. Test parts, moulds, tools

1. If the buyer has to provide parts for the execution of the order, they are to be delivered free production site with the agreed quantity, otherwise with a reasonable excess quantity for any rejects, in good time, free of charge and free of defects. If this is not done, any costs and other consequences caused by this shall be borne by him.

2. The production of test parts including the costs for moulds and tools shall be borne by the buyer.

3. Our liability for tools, moulds and other production equipment provided by the buyer shall be limited to the same care as in our own affairs. Costs for maintenance and care shall be borne by the Buyer. Our obligation to store the goods shall expire - irrespective of the Buyer's ownership rights - no later than two years after the last production from the mold or tool.

XI. Place of performance, place of jurisdiction and applicable law

1. The place of performance for our deliveries, for subsequent performance and for payments by the buyer is our company. The place of jurisdiction is the location of our head office. We may also sue the Buyer at his place of jurisdiction.

2. German law shall apply to all legal relationships between us and the Buyer, to the exclusion of the provisions of the United Nations Convention on Contracts for the International Sale of Goods of April 11, 1980 (CISG).

3. Our customers' data shall be stored and processed by us in accordance with the provisions of the GDPR.

XII. Authoritative version

In cases of doubt, the German version of these General Terms and Conditions of Sale shall prevail.